EXHIBIT A



TMM / ALL Transmittal Number: 6988825 Date Processed: 09/17/2009

Notice of Service of Process

Primary Contact:

Pamela Hoff

The Travelers Companies, Inc. 385 Washington Street, MC 515A

Saint Paul, MN 55102

Entity:

Travelers Casualty Company of Connecticut Entity ID Number 2317475

Entity Served:

Travelers Casualty Co of Connecticut

Title of Action:

Angela T. Smith vs. Travelers Casualty Company of Connecticut

Document(s) Type:

Summons and Amended Complaint

Nature of Action:

Contract

Court:

Greenville County Court of Common Pleas, South Carolina

Case Number:

2009-CP-23-7443

Jurisdiction Served:

South Carolina

Date Served on CSC:

09/17/2009

Answer or Appearance Due:

30 Days

Originally Served On:

South Carolina Department of Insurance on September 16, 2009

How Served:

Certified Mail

Sender Information:

Clayton L. Jennings 864-239-0055

Information contained on this transmittal form is for record keeping, notification and forwarding the attached document(s). It does not constitute a legal opinion. The recipient is responsible for interpreting the documents and taking appropriate action.

To avoid potential delay, please do not send your response to CSC

CSC is SAS70 Type II certified for its Litigation Management System. 2711 Centerville Road Wilmington, DE 19808 (888) 690-2882 | sop@cscinfo.com



South Carolina Department of Insurance

MARK SANFORD Governor

Capitol Center 1201 Main Street, Suite 1000 Columbia, South Carolina 29201

SCOTT H. RICHARDSON Director of Insurance

Mailing Address: P.O. Box 100105, Columbia, S.C. 29202-3105 Telephone: (803) 737-6160

September 16, 2009

CERTIFIED MAIL RETURN RECEIPT REQUESTED TRAVELERS CASUALTY COMPANY OF CONNECTICUT c/o Corporation Service Company 1703 Laurel Street Columbia, SC 29201

Dear Sir:

On September 16, 2009, I accepted service of the attached Amended Summons and Amended Complaint on your behalf. I am, hereby, forwarding that accepted process on to you pursuant to the provisions of S.C. Code Ann. § 38-5-70 (Supp. 2003). By forwarding accepted process on to you, I am meeting a ministerial duty imposed upon me by S.C Code Ann. § 15-9-270 (Supp. 2003). I am not a party to this case. The State of South Carolina Department of Insurance is not a party to this case. It is important for you to realize that service was effected upon your insurer on my date of acceptance for service.

You must promptly acknowledge in writing your receipt of this accepted process. When replying, please refer to File Number 140037, Angela T. Smith , et al. v. TRAVELERS CASUALTY COMPANY OF CONNECTICUT, et al., 2009-CP-23-7443.

By:

Sincerely Yours,

Jeff Jacobs Chief Legal Counsel (803)737-6200

Scott Richardson Director State of South Carolina Department of Insurance

Attachment

CC:

Chad L. Jennings

1151 East Washington Street Greenville, SC 29601

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
COUNTY OF GREENVILLE)	C.A. No.: 2009-CP-23-7443
Angela T. Smith and George L. Smith, Plaintiffs,)	AMENDED SUMMONS
vs. Travelers Casualty Company of Connecticut, and The Travelers Companies, Inc.,)	
Defendants) _)	

TO: THE DEFENDANTS ABOVE NAMED

You are hereby summoned and required to answer the Amended Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your answer to the said Amended Complaint on the subscribers at their offices, 1151 E. Washington Street, Greenville, SC 29601, within thirty (30) days after the service hereof, exclusive of the day of such service, and if you fail to answer the Amended Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Amended Complaint.

Clayton L. Jennings/(S/C. Bar # 68284)

Jennings Law Firm, LLC

1151 E. Washington St.

Greenville, South Carolina 29601

(864) 239-0055

Attorney for Plaintiffs

Greenville, South Carolina September 10, 2009

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS		
COUNTY OF GREENVILLE)	C.A. No.: 2009-CP-23-7443		
Angela T. Smith and George L.) Smith,) Plaintiffs,)	AMENDED COMPLAINT 浸 (NON-JURY) 岩		
vs.			
Travelers Casualty Company of) Connecticut, and The Travelers) Companies, Inc.,)	TO THE POPULATION OF THE POPUL		
Defendants)			

Plaintiffs, by and through their undersigned attorneys, will respectfully show unto the Court the following:

GENERAL ALLEGATIONS

- 1. Angela T. Smith and George L. Smith (hereinafter sometimes referred to collectively as "Plaintiffs") are residents of Greenville County, South Carolina.
- Upon information and belief, Travelers Casualty Company of Connecticut ("Travelers Casualty") is a company domiciled in the State of Connecticut with its principal place of business in Hartford, Connecticut, and is one of The Travelers Property Casualty Companies.
- 3. Upon information and belief, Travelers Casualty is a wholly owned subsidiary of The Travelers Companies, Inc., a corporation organized and existing under the laws of the State of Minnesota. Travelers Casualty and The Travelers Companies, Inc. are hereinafter sometimes referred to collectively as "Defendants".

- 4. At all times relevant hereto, Defendants did substantial business as insurance companies in the State of South Carolina.
- 5. The parties hereto, the subject matter hereof, and all things and matters hereinafter alleged are within the jurisdiction of this Honorable Court.
- 6. On or about June 12, 2005, Defendants sold to Plaintiff George L. Smith (a/k/a George Smith) a boat insurance policy issued by Defendant Travelers Casualty bearing Policy NO. 0978220306 8301 (the "Policy"). The Policy had a one-year term, but was subsequently renewed/extended annually through and including September 2, 2006. A true and complete reproduction of the Policy as certified by Defendants' representative is attached hereto as Exhibit "A".
- 7. The Policy provided boat/watercraft liability coverage in the amount of \$500,000.00 for bodily injury liability arising out of the ownership, maintenance, or use of the insured boat.
- 8. On or about September 2, 2006, Plaintiff Angela T. Smith sustained serious bodily injuries in Anderson County, South Carolina. While attempting to board the rear of the motorboat insured by the Policy, the throttle of the boat was engaged and caused the propeller blades to slash away at Plaintiff's torso, causing extensive injuries, and requiring a medical helicopter to transport her to Greenville Memorial Hospital. The motorboat was at the time of the incident under the operation and control of Plaintiff, George L. Smith.
- 9. As a result of the accident, Plaintiff Angela T. Smith had extensive medical bills and other damages. Plaintiffs submitted a claim for those expenses and damages.

- 10. An actual controversy exists between the parties since a demand for coverage has been made and representatives of Defendants have refused to assent to the right to payment of benefits to Plaintiff Angela T. Smith.
- 11. Defendants have denied Plaintiff's claim on the basis that the Policy excludes coverage for liability to the named insured's spouse.
- 12. Plaintiff George L. Smith made all premium payments required of him by the contract of insurance with Defendants and otherwise complied with all the requirements necessary for coverage. Accordingly, the Policy was in full force and effect at the time of the subject accident.

FOR A FIRSTCAUSE OF ACTION (Breach of Insurance Contract)

- 13. All the allegations contained in Paragraphs 1 through 13 are incorporated herein as if they had been set forth fully hereunder.
- 14. Plaintiff George L. Smith is informed and believes that the Policy provided liability coverage for bodily injury and property damage for which an insured person becomes legally responsible because of an accident arising out of the ownership, maintenance, or use of a covered boat/watercraft up to \$500,000.00. Accordingly, Plaintiff George L. Smith is informed and believes that the Policy provides coverage to the said Plaintiff George L. Smith for bodily injuries sustained by Plaintiff Angela T. Smith in the boat accident involving the covered boat operated by Plaintiff George L. Smith on September 2, 2006.
- 15. Plaintiff George L. Smith alleges that Defendants' refusal and failure to indemnify the Plaintiff George L. Smith or otherwise pay medical expenses and

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- other bodily injury damages suffered by Plaintiff Angela T. Smith in the boat accident up to the limits of coverage constitutes a breach of the insurance contract by and between the parties.
- 16. That due to and by reason of and as a direct and proximate result of Defendants' wrongful breach of the insurance contract, Plaintiff George L. Smith has suffered actual damages in an amount to be determined at trial.
- 17. By reason of and as a direct and proximate result of Defendants' wrongful breach of the insurance contract, Plaintiff George L. Smith is entitled to collect from Defendants the actual damages and the costs and expenses, including attorney's fees, of this action.

FOR A SECOND CAUSE OF ACTION (Bad Faith)

- 18. All the allegations contained in Paragraphs 1 through 17 are hereby incorporated herein as if they had been set forth fully hereunder.
- 19. Plaintiff George L. Smith is informed and believes that Defendants owed Plaintiff George L. Smith a duty of good faith and fair dealing and implicitly covenanted to refrain from doing anything to impair Plaintiff George L. Smith's rights to receive benefits under the insurance contract.
- 20. Although the Plaintiff George L. Smith in good faith made timely demand for coverage and/or reimbursement under the Policy, the Defendants, by and through their authorized agents, servants, and/or employees, knowing that Plaintiff George L. Smith's claim is wholly valid and should be paid, has wrongfully and in breach of the implied covenant of good faith and fair dealing, withheld and denied the

benefits due Plaintiff George L. Smith. In denying Plaintiff George L. Smith claim, Defendants have acted wrongfully, unreasonably, and in bad faith, and that said actions, inactions and/or bad faith of Defendants were and are in willful and reckless disregard to the Plaintiff George L. Smith rights under the Policy.

- 21. That as a direct, proximate, and consequential result of Defendants' bad faith failure and/or unjust and/or unreasonable refusal to pay and indemnify Plaintiff George L. Smith in the amount of liability coverage provided in the Policy, in willful and reckless disregard to Plaintiff George L. Smith rights under said Policy, Plaintiff George L. Smith has suffered actual damages in an amount to be determined at trial.
- 22. That in addition to actual damages, Plaintiff George L. Smith is entitled to consequential and punitive damages against Defendants as a result of Defendants' willful, wanton, and/or reckless disregard in failing to pay Plaintiff George L. Smith's claim.

FOR A THIRD CAUSE OF ACTION (Reformation)

- 23. All the allegations contained in Paragraphs 1 through 22 are hereby incorporated herein as if they had been set forth fully hereunder.
- 24. Plaintiff George L. Smith approached Defendants' agent in 2005 for the purpose of purchasing a boat insurance policy that would provide adequate/sufficient protection to his property and his family in the event of a boating accident. Accordingly, Defendants sold Plaintiff George L. Smith the Policy in question, which was issued by Defendants Travelers.
- 25. Unknown to Plaintiff George L. Smith until after September 2, 2006, the Policy

purchased by Plaintiff George L. Smith excluded, according to Defendants, coverage for bodily injuries suffered by Plaintiff George L. Smith's family members who were injured in the ownership, maintenance, or use of the boat operated by Plaintiff George L. Smith, but did not exclude bodily injuries suffered by a friend or complete stranger injured by the insured boat owned by Plaintiff George L. Smith.

26. Plaintiff George L. Smith alleges that he is entitled in equity to a reformation of the Policy that would expressly insure Plaintiff George L. Smith and his family members up to the policy limit for all liability arising from their ownership, maintenance, or use of the insured boat, against bodily injuries suffered in an accident involving the covered boat.

FOR A FOURTH CAUSE OF ACTION (Third-party Beneficiary Claim)

- 27. All the allegations contained in Paragraphs 1 through 26 are hereby incorporated herein as if they had been set forth fully hereunder.
- 28. Plaintiff Angela T. Smith is informed and believes that she was a covered insured and third-party beneficiary of the subject policy of insurance sold to her husband and covering their boat.
- As a direct and proximate result of the injuries and damages sustained by Plaintiff
 Angela T. Smith in the boating accident on or about September 2, 2006, Plaintiff
 Angela T. Smith is informed and believes that Defendants had a duty to fully and
 promptly pay for her loss up to the full stated value of the policy as set forth
 hereinabove.
- 30. Plaintiff Angela T. Smith is informed and believes Defendants' refusal and failure

to indemnify Plaintiff George L. Smith and/or otherwise pay her reasonable medical expenses and other bodily injury damages up to the full limits of liability coverage constitutes a breach of the insurance contract by and between Travelers and Plaintiff George L. Smith.

- 31. That due to and by reason of and as a direct and proximate result of Defendants' wrongful breach of the insurance contract as set forth above, Plaintiff Angela T. Smith has suffered actual damages in an amount to be determined at trial.
- 32. By reason of and as a direct and proximate result of Defendants' wrongful breach of the insurance contract, Plaintiff Angela T. Smith is entitled to collect from Defendants compensatory damages in an amount stipulated or to be determined appropriate at the trial of this case.

FOR A FIFTH CAUSE OF ACTION (Application of the Doctrine of Separability)

- 33. All the allegations contained in Paragraphs 1 through 32 are hereby incorporated herein as if they had been set forth fully hereunder.
- 34. Pursuant to the applicable doctrine of separability, Angela T. Smith, as an additional, unnamed insured under the Policy, is deemed to be insured under a separate insurance policy by Defendants, and the subject exclusion in the Policy operates to exclude coverage only in the event of a claim by Angela T. Smith against herself.
- 35. The language in the Policy is at best ambiguous in its definition of the term "insured" and should be construed against Defendants, as drafters of the Policy, so that the doctrine of separability applies to the subject exclusion and operates to exclude coverage only in the event of a claim by Angela T. Smith against herself.

Plaintiffs seek declaratory judgment that the Policy provides coverage for Plaintiff 36. Angela T. Smith's bodily injury claim against Plaintiff George T. Smith.

WHEREFORE, Plaintiffs George L. Smith and Angela T. Smith pray for judgment against the Defendants, and each of them, for actual, consequential, and punitive damages, in a sum to be determined appropriate at the trial of this case; for an Order reforming the Policy to include extended coverage to family members resulting from the ownership, maintenance, and use of the insured boat; for an Order declaring that the Policy provides liability coverage for Plaintiff Angela T. Smith's injuries resulting from the negligence of Plaintiff George L. Smith; for attorneys' fees and costs for bringing this cause of action; and for such other and further relief as this Court may deem just, proper, and equitable.

Respectfully submitted,

JENNINGS LAW FIRM, LLC

Clayton L. Jennings

S.C. Bar #68284

1151 E. Washington St.

Greenville, SC 29601

(864) 239-0055

Wes A. Kissinger S.C. Bar # 13949 Harrison, White, Smith & Coggins, P.C. P.O. Box 3547 Spartanburg, SC 29304 (864) 585-5100

Attorneys for Plaintiffs

Greenville, South Carolina September 10, 2009





This is to certify that this is a reproduction, from the Company's records, of the insurance policy between the insured and the insuring company as described in the Declaration Page. It is a full, true and complete reproduction of the insurance policy. No insurance is afforded hereunder.

Chantal Cyr, Vice President Boat/Yacht/Flood

State of Connecticut County of Hartford

Commission Expires Decimber

Christopher N. Harrell Notary Public-Connecticut My Commission Expires December 31, 2012

06/24/05

GEORGE **SMITH** 114 ROCKINGHAM ROAD **GREENVILLE SC 29607**

I, PRIVACY NOTICE

WHAT WE MEAN WHEN WE TALK ABOUT "PRIVACY"

Your privacy is important to us. When we sell an insurance policy to a person we need information about the person or property that we're insuring. We consider this private and have taken steps to keep it confidential.

We want you to know about our privacy policy. The privacy policy tells you the kinds of information we get about you, where we get it, and with whom, if anyone, we may share it.

This brochure describes our privacy policy, procedures and practices for individuals who seek or get auto, home and other personal liability and property insurance for personal, family or household needs.

WHAT KIND OF INFORMATION WE HAVE AND WHERE WE GET IT

You give us most of what we need in the application process. To make sure what we have is correct we may need to check with you by phone or mail.

You may be asked to give us more details in writing or over the phone. Plus, we may receive and check your past insurance claims from insurance support organizations or your former insurers.

As allowed by law, we may ask for credit and other consumer reports from consumer reporting agencies concerning your application for insurance or any renewal of insurance. Information given to us by an insurance support organization, including consumer reporting agencies may be retained by them and disclosed to other persons.

For auto insurance, we often get a report of accidents or convictions from your State Motor Vehicle Department. We get these reports through an independent reporting company. We may also check information from government agencies or independent reporting companies. This helps us correctly rate and price your policy.

For home, building, or boat insurance, we or an inspector from an independent company may visit the property to inspect and report on its condition. In some cases, pictures may be taken. This allows us to check the estimate we have of your property's value. If we need more details about the property or the alarm you've installed, we may need to enter your property to finish the inspection. We would contact you before entering your property.

As a part of our application and underwriting process, in most states, we also order an Insurance Score based on credit history. We use the Score, information you give us, and other consumer reports for underwriting and the price we will charge. If we receive corrected personal information from a consumer reporting agency, we will reevaluate you.

Once you're insured with us, your file may contain details about your policy(ies). This may include bill payments or claim history. A claim representative may comment, for example, on the condition and use of the insured property. We may also keep a police report if one was issued.

Sometimes we need to know about your health. For example, if we need to know whether a physical limitation will affect your ability to drive, we would ask you to sign a form allowing your personal doctor to answer any question we may have.

WHO HAS ACCESS TO THIS INFORMATION

We keep what we collect about you in our files. Our policies and procedures protect your personal information. We have physical, electronic and procedural safeguards in place.

We do not give or sell our customers' personal information to others for marketing purposes. You don't have to ask us to keep your information private because we do not give it, unless allowed.

We will use information about you to sell you insurance, service your insurance and settle claims. We may give the information to other persons or companies to help us manage or service our business. When we do, we require them to use it only for the reasons we gave it to them.

We may give, without your past permission and only if allowed by law, information about you held in our files to certain persons or organizations such as:

- Your agent or broker
- Our affiliated property and casualty insurance companies
- · An independent claim adjuster or investigator
- Persons or organizations that conduct scientific research, including actuarial or underwriting studies, provided that no individual may be identified in the studies
- An insurance support organization, including consumer reporting agencies
- Another insurer in order to prevent or prosecute fraud

Also, on rare occasions, we may be required to share this information:

- With a State Insurance Department or other governmental agency, if required by federal, state or local laws
- · If ordered by a summons, court order, search warrant or subpoena
- To protect our own legal interests, or in case of suspected fraud or other illegal activities.

HOW TO FIND OUT WHAT INFORMATION WE HAVE ABOUT YOU

If you have any questions about what we have in your file please write to us. When we receive your written request, we will respond within thirty (30) business days. We will let you know if we've given any information about you to anyone in the past. If we asked for a consumer report we will tell you the name and address of the consumer reporting agency.

You may also see and copy your file (except for certain documents about claims and lawsuits). If you believe any of our information is wrong we'll check it out and if we agree there was an error, we'll correct it. If we don't agree, you're still allowed to file a letter with your comments. We'll send the correction or letter to anyone who received or will receive the original information.

If you have any questions about the right of access to or correction of your file, we'll be happy to review our procedures with you. Please contact:

Privacy Coordinator

KNOXVILLE - 412 PO BOX 59059 KNOXVILLE TN

37950

WHEN YOU WRITE, PLEASE BE SURE TO TELL US YOUR:

- Name
- Address
- Policy number
- Phone number and the best time of the day for us to call you

Please include a copy (not the original) of personal ID, such as your driver's license.

WE THANK YOU FOR LETTING US SERVE YOUR INSURANCE NEEDS.

This notice is effective April 2005 and is given by The Travelers Indemnity Company, and its property and casualty insurance affiliates, members of the St. Paul Travelers group of companies. This notice applies to current and former customers and may be amended at any time. The amended notice will be sent to customers and will also be placed on Travelers web sites.

A statement concerning our use of Insurance Score is available upon request for Oregon residents.

Travelers is committed to providing fair and competitive pricing to all customers. To do so, Travelers, like many leading insurance carriers, uses information gathered from you and outside sources about your claim and credit history. This information allows Travelers to determine accurately and objectively the proper price to charge.

Travelers believes that this information has allowed us to give you a very competitive price given your insurance based credit history. However, it is not our best possible price. Although the factors in your credit file were positive, they were not strong enough to generate the required insurance score to qualify for our best possible price. The positive factors affecting your insurance score are favorable length of credit history, favorable number of finance accounts, favorable number of recent credit checks and proportion of revolving balances to revolving credit limits is fayorable.

As our pricing decision was based in part on information from a consumer reporting agency(s), you are entitled to receive a free copy of the report(s). You may contact the consumer reporting agency to obtain a copy of the report and check the information for accuracy. Travelers believes strongly in full and open communication, and appreciates the opportunity both to provide you with insurance and explain how to contact the reporting agency.

To receive a free copy of the report, you must contact the consumer reporting agency within the next 60 days. If you dispute the accuracy or completeness of any information contained in the report, the consumer reporting agency will reinvestigate the disputed information. The type of report and the name of the consumer reporting agency that supplied the information that influenced our decision are identified below:

Credit History Information: Trans Union Corporation

Telephone: 1-800-645-1938

Address: 2 Baldwin Place, PO Box 1000

Chester, PA 19022

IMPORTANT: The decision concerning your policy was NOT made by the consumer reporting agency. If you have questions concerning the reason for this decision, please contact your Travelers representative.

Thank you for deciding to insure with Travelers.

Hurricanes can wreak havoc upon people and property. Be prepared prior to the storm's appearance. We care for your safety and the safety of your property, especially your boat where proper preparation can make a big difference. Here are a few hints for proper care of your boat or yacht prior to the storm arriving.

- The best thing you can do is get out of harm's way.
- Storing your boat on land is the preferred and safest method of taking care of your boat. If hauling the boat is not an option, take it to a secure harbor.
- Pilot the boat away from the predicted path of the storm to a safe harbor.
- Be prepared well in advance. Buy all your supplies ahead of time, so you beat the rush on storm day.
- These items include: extra lines, fenders, extra anchors, exhaust port plugs and duct tape (it can be used for everything).
- Just like supermarkets and hardware stores run out of items prior to a storm, marine supply stores do also. REMEMBER TO GET THEM EARLY!!

Trailerable Boats

• If the boat is in the water, haul it. Secure it on the trailer by lashing it with nylon lines. If possible, put the boat and trailer in a garage. If not, make sure it is secured to a tree or to the ground using augers.

Moored Boats

- Your choice of mooring location is very important. Choose an uncrowded mooring location with protection from open water and with good holding ground. The one thing you don't need is a crowed location where one boatowner doesn't prepare enough and we have the "pinball effect" from the other.
- Set a three point mooring system with oversized lines and chafe protection.
- Set your lines as long as possible. Estimate a conservative storm surge and long wave swells.

Docked Boats

- Choose an uncrowded dock with sturdy pilings and a minimum of 20' depth. Secure the boat with oversized dock lines, double or triple the lines and add chafe protection.
- Space extra fenders along the side and set anchors to keep the boat away from the pilings and the dock.

General Information

- Seal all ports, vents, scoops, hatches, windows, doors, etc.
- Remove accessible equipment, supplies, ship's stores, ship's papers, etc.
- Charge all sails, bimini tops, sun shades, canvas, etc. to reduce wind resistance.
- Close the fuel tank, propane or C.N.G. valves.
- Take all valuables such as electronics, appliances and documents off the boat.

Don't stay on the boat! - Go Home!! Staying onboard is too dangerous. Boats can be replaced but you can't be and there is little you can do once the hurricane comes ashore!

PN40004 (11-99) Page 2 of 2

TRAVELERS BOAT/YACHT INSURANCE IDENTIFICATION CARD

Company: TRAVELERS CASUALIY COMPANY OF CONNECTICU

Summer Mooring Location State: SC

Policy Number Effective Date 0978220306 8301 06-12-05 Not valid more than one year from Effective Date.

Year 2003

Model

Hull Identification Number (HIN) KWEBC725F303

See Important Notice On Reverse Side

E TRAVELERS BOAT/YACHT INSURANCE IDENTIFICATION CARD

Company: TRAVELERS CASUALIY COMPANY OF CONNECTICO

Summer Mooring Location State: SC

Policy Number Effective Date 0978220306 8301 06-12-05 Not valid more than one year from Effective Date.

Manufacturer KEY WEST Year 2003

Hull Identification Number (HIN) KWEBC725F303 Model 1720

Agent

TÜRNER AGENCY INC P O BOX 17677 GREENVILLE SC 29606

Insured GEORGE SMITH 114 ROCKINGHAM ROAD GREENVILLE SC 29607

Manufacturer KEY WEST

1720 Agent

TÜRNER AGENCY INC P O BOX 17677 GREENVILLE SC 29606

hsured GEORGE SMITH 114 ROCKINGHAM ROAD GREENVILLE SC 29607

PL-12129 12-04

Call St. Paul Travelers immediately IN CACE OF AN ACCIDENT

Only discuss the accident with proper authorities or Travelers representatives. 1-800-772-4482 toll free, 24 hours a day.

Immediately call:

For Claims,

800-772-4482

FRAUD HOTLINE: 800-6-FRAUD-0

FOR POLICY SERVICE CALL (864) 288-9513

St. Paul Travelers, One Tower Square, Hartford, CT 06183

IN CASE OF AN ACCIDENT

* Cail St. Paul Travelers immediately

1-800-772-4482 toll free, 24 hours a day.

Only discuss the accident with proper authorities or Travelers representatives.

immediately call: 800-772-4482 For Claims,

FRAUD HOTLINE: 800-6-FRAUD-0

FOR POLICY SERVICE CALL (864) 288-9513

St. Paul Travelers, One Tower Square, Hartford, CT 06183



YOUR TRAVELERS BOAT POLICY

from Travelers

Especially for:

GEORGE SMITH



TRAVELERS BOAT POLICY

Travelers Casualty Company of Connecticut One of The Travelers Property Casualty Companies One Tower Square, Hartford, CT 06183

Name Insured	Your Agent's Name and Address					
GEORGE SMITH 114 ROCKINGHAM ROAD GREENVILLE, SC 29607	TURNER AGENCY INC P O BOX 17677 GREENVILLE, SC 29606					
Your Policy Number: 9782203	06 830 1	For Polic	y Service C	Call:	(864) 288-9513
Transaction Premium: \$191	.00	For Claim Service Call: 1-800-772-448				0-772-4482
Total Policy Premium: \$191	For Billing Questions Call: 1-800-550-7716					
Policy Period		Transaction Type New Business			ness	
From: 06-12-05 To: 06-12-06 1 Standard Time at the Residence	Transaction Number 1					
Boat Description # Year Length Manufacturer 1 2003 17' KEY WEST	Model 1720		HP Hull ID 0090 KWEBC725F303			-
Outboard Motor Description # Year Horsepower Manufacture: 1 2003 0090 YAMAHA	r	Model FOUR STROKE	ID Number 61P-L-1003818Q			318Q
Trailer Description # Year Manufacturer 1 2003 MAGIC TILT		Model	ID Number 1M5B171241E94399 			094399
Coverages	Amount of Inst		Deducti	ble		Premium
Section Three				·		
Boat and Equipment Physical Damage	\$	6,935	\$	319	\$	104.00
Outboard Motor Trailer	\$ \$	9,000 1,000	\$	100	\$	15.00
Section Four Personal Property	\$	500	\$:	250		Included
Section Five Commercial Towing and Assistance	\$	400	No	one		Included
Section Six Watercraft Liability	\$ 5	500,000	No	one	\$	72.00
Section Seven Medical Payments	·· \$	1,000	No	ne		Included
Section Eight Uninsured Boat		00,000	No	ne	•	Included

Authorized Signature

Endorse	ments (11-99) Actual Cash Value Endorseme	nt	Included
Ac Out	ating Education Credit count Credit choard Motor Credit cety Equipment Credit		5.00% 15.00% 10.00% 2,50%
	Boat Total P	remium \$	191.00

Navigational Information

Navigational Territory: It is hereby warranted that the Insured Boat shall be confined to the waters indicated below.

Inland and coastal waters of the 48 contiguous states of the United States and Canada.

Bill Method Installment Payments Billed to Insured

For Your Information

This is not a bill. You will be billed separately for this transaction.

Thank you for insuring with the Travelers. We appreciate your business. If you have any questions about your insurance, please contact your agent or representative.

This Declaration and any endorsements attached are to be inserted in and form part of your policy. If a change effective date appears at the top of the Declarations, then this Declaration replaces any previous Declarations on that date.

YOUR TRAVELERS BOAT POLICY QUICK REFERENCE

	Pour Name and Address Policy Period Your Insured Property Coverages, Amounts of Insurance and Deductibles Endorsements Credits Policy Premium Navigation Territory Layup Information Loss Payee DEFINITIONS	Begins On Page
SECTION ONE:	General Policy Conditions and Limitations Insuring Agreement Limits of Liability Policy Period Changes in Policy Private Pleasure Use Only Transfer of Interest Canceling This Policy Return Premiums Renewal of Coverage Conformity to State Law Broadening Coverage Other Insurance Navigation Warranty Suit Against Us No Benefit to Others	2 2 2 2 2
SECTION TWO:	General Policy Exclusions Concealment, Misrepresentation or Fraud Dishonest or Illegal Acts Intentional Act War, Confiscation or Nuclear Racing	3 3
SECTION THREE:	Physical Damage Coverage Loss Payment Physical Damage Coverage Exclusions Unrepaired Damage Deductible Amount Protection and Recovery Expenses Equipment on Shore	4 5 5 5 5

YOUR TRAVELERS BOAT POLICY QUICK REFERENCE

	QUICK REFERENCE	Begins On Page
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SECTION TEN:	Your Duties After a Loss Notice of Loss Assistance in Loss Settlement Contractual Liability Claims Against Others Examination Under Oath Proof of Loss - Physical Damage Protection of Property - Physical Damage Support of Claim	8 8 8 . 8 . 9
SECTION ELEVEN:	Loss Settlement Conditions Loss Adjustment - Physical Damage Destruction Ordered by Authorities Appraisal (Physical Damage) Loss Payee Reservation of Rights Abandonment of Property Rights to Salvage	9 9

- "Accidental Fuel Spill" means the unintentional discharge, spillage or leakage of petroleum based fuel, oil or lubricants which are required for the normal operation and use of your boat.
- "Agreed Value" means the value of the covered property as shown on the declarations without deduction for any depreciation.
- "Boat" means the boat described in the declarations, including its hull, propulsion machinery, spars, sails, fittings, furniture and permanently installed equipment on board your boat.
- "Bodily Injury" means bodily harm, sickness, or disease, including required care, loss of services and death that results.
- "Constructive Total Loss" means that the reasonable expense of recovering and repairing the Boat and equipment equals or exceeds the amount of insurance shown in the declarations.
- "Direct Physical Loss" means the actual damage to your covered property resulting directly from a covered peril.
- "Fishing Equipment" means rods, reels, lures and rigs, lines, tackle boxes, electronic gear used in locating and catching fish and similar equipment.
- "Insured" refers to (1) you; (2) your spouse and/or relatives who reside in your household (resident relative); and 3) any person or legal entity while operating your boat with an insured's permission and without a charge or fee. "INSURED" DOES NOT INCLUDE: (A) A PAID CAPTAIN OR CREW MEMBER; OR (B) ANY PERSON OR ORGANIZATION OPERATING, EMPLOYED BY, OR THE AGENT OF A MARINA, BOAT REPAIR YARD, YACHT CLUB,

SALES AGENCY, BOAT SERVICE STATION, OR OTHER SIMILAR ORGANIZATION.

- "Latent Defect" means a hidden flaw in the material existing at the time of the original building of the boat which is not discoverable by you, by ordinary observation or methods of testing.
- "Navigational Territory" means the navigation area shown in the declarations.
- "Occurrence" means a loss or accident, including continuous or repeated exposure to substantially the same general harmful conditions during the policy period, which results in bodily injury or property damage.
- "Policy" means your Travelers Boat Policy, including the application, declarations, applicable forms and any endorsements.
- "Property Damage" means the actual physical damage to or destruction of tangible property. It includes loss of use of such property.
- "Punitive Damages" means damages that are awarded to punish or deter wrongful conduct to set an example, to fine, penalize or impose a statutory penalty, or any similar exemplary damages that are awarded for other than compensatory damages.
- "Uninsured Boat" means a watercraft that does not have a bodily injury policy in force or, if the policy is in force, the insurer denies coverage or becomes insolvent. It also refers to a hit-and-run watercraft whose operator or owner cannot be identified and hits you or any insured or a watercraft which you or any insured are occupying. An uninsured boat does not include a watercraft:
- 1. owned by, furnished, or available for the regular use of you or any insured;
- 2. owned by any governmental unit or agency.

SECTION ONE: GENERAL POLICY CONDITIONS AND LIMITATIONS

A. INSURING AGREEMENT

This marine insurance policy is a legal contract between you and us.

We agree to provide the insurance coverage described in this policy in return for your payment of the premium when due and compliance by you and any insured with all terms and conditions of this policy.

B. LIMITS OF LIABILITY

Unless otherwise stated in this policy or any endorsements, the limits of liability shown in the declarations are the most we will pay for all damages or claims resulting from any one occurrence.

C. POLICY PERIOD

This policy applies only to a covered loss which occurs during the policy period as shown in the declarations.

D. CHANGES IN POLICY

This policy contains all of the agreements between you and us. The terms may not be changed or waived except by endorsement issued by us.

E. PRIVATE PLEASURE USE ONLY

Coverage under this policy applies only if your boat is used for private pleasure purposes, including recreational boating and leisure time activities. Coverage will not apply if your boat is used for charter, hire, to carry persons or property for a fee or for any other commercial or business use unless prior written consent has been obtained from us. Business entertainment for which there is no direct remuneration will be considcred as being private pleasure use.

F. TRANSFER OF INTEREST

All coverage provided by us will terminate upon the sale, assignment, pledge or transfer of your ownership or insurable interest in the covered property unless prior written consent has been obtained from us. However, if you should die during the policy period, we will automatically cover your legal representative as the Named Insured with respect to his or her interest in your covered property.

G. CANCELING THIS POLICY

Your cancellation - You may cancel this policy at any time by returning it to us or our authorized representative stating the future date you want it to be canceled.

Nonpayment of premium - We may cancel this policy by giving you 10 days written notice if you fail to pay the premium by the due date.

Our cancellation - If you have paid the premium when due and we decide to cancel this policy, we will give to you at least 30 days written notice of our decision to cancel this policy.

Evidence of mailing of our cancellation notice to you at the address shown in the declarations shall be sufficient proof that you have been notified.

Total Loss or Constructive Total Loss - In the event of a Total Loss or Constructive Total Loss, this policy will terminate immediately thereafter.

H. RETURN PREMIUMS

If this policy is canceled, you may be entitled to a premium refund. If you cancel the policy for any reason except your interest in the boat being sold, any return premium will be computed on a short rate basis. If we cancel the policy or if your interest in the boat is sold, any return premium will be computed on a prorata basis. Any return premium will be paid to you as soon as possible after the cancellation. In the event of a Total Loss or Constructive Total Loss, premium will be considered fully earned and no refund will be made.

1. RENEWAL OF COVERAGE

Renewal - We may offer to continue this policy by providing you a renewal declarations along with a bill for the premium. Any changes in policy provisions or amounts of coverage will be shown in the renewaldeclarations.

Nonrenewal - If we decide not to renew this policy, we will give to you at least 30 days notice of our decision not to renew. Evidence of mailing of our nonrenewal notice to you at the address shown in the declarations shall be sufficient proof that you have been notified.

J. CONFORMITY TO STATE LAW

When a policy provision conflicts with the law of the state in which this policy is issued, the minimum requirements of the state law will automatically apply.

K. BROADENING COVERAGE

If we adopt any change during the term of this policy applicable to all policyholders which broadens cover-

age without additional premium, the broader coverage will automatically apply to your policy.

L. OTHER INSURANCE

Physical Damage - If at the time of loss, there is any other applicable insurance, we will pay only that proportion of the loss that the amount recoverable under this policy bears to the total amount recoverable under all applicable insurance.

Liability, Medical Payments and Uninsured Boater -Any insurance provided by this policy will be deemed excess over any other valid and collectible insurance.

Overland Transportation - Any insurance provided by this policy will be deemed excess over any other valid and collectible insurance.

M. NAVIGATION AND LAY-UP WARRANTY

Events Beyond Your Control - If the navigational territory or lay-up period shown in the declarations is breached due to events beyond your control, coverage for your boat will continue provided you give us written notice of the breach within 10 days after you learn of the breach and pay any additional premiums due us for this extension of coverage.

Events Within Your Control - Coverage will not apply if there is any breach of navigational territory or layup period that is within your control, unless you have informed us directly or through our authorized representative and we agree to any extension of coverage. You must pay any additional premium due to us for this extension.

N. SUIT AGAINST US

No action will be brought against us unless there has been full compliance with all provisions; and such action is started within one year after loss or damage occurs.

O. NO BENEFIT TO OTHERS

No person or organization which has custody of your covered property and is to be paid for services will benefit from this insurance.

SECTION TWO: GENERAL POLICY EXCLUSIONS

The following exclusions apply to all coverages provided under this policy:

WE DO NOT COVER ANY LOSS OR DAMAGE CAUSED BY:

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

The coverage provided by this policy depends on the statements you made in your application. If you or any insured intentionally conceals or misrepresents any material fact or circumstance, whether before or after a loss, this policy is **VOID** and you will no longer be protected by it.

B. DISHONEST OR ILLEGAL ACTS

We do not cover any loss, injury, damage or expenses caused by the dishonest or illegal act of any covered person, regardless of whether or not such person is convicted of such act by a criminal court.

C. INTENTIONAL ACT

We do not cover any loss, damage, injury, or loss of life which is intentionally caused by any covered person, regardless of whether or not such person is convicted of such act by a criminal court.

D. WAR, CONFISCATION OR NUCLEAR

We do not cover any loss, damage, injury or loss of life which is caused by:

- 1. War, including undeclared war, civil war, insurrection, rebellion, revolution, war-like act by military force or military personnel, destruction or seizure for a military purpose, or any consequences of these actions.
- 2. The lawful or unlawful capture, seizure, confiscation, requisition or detainment of your boat by a civil or military authority, or an attempt by any of these.
- 3. The hazardous properties, including radioactive, toxic or explosive properties, of nuclear material, whether it is source material or by-product material as defined in the Atomic Energy Act of 1954 or in any law amendatory thereof - no matter how it is caused.

E. RACING

We do not cover any loss that occurs or damages that result while your boat is being operated in any capacity in an official race or speed test. However, this exclusion does not apply to sailboats or predicted log events.

SECTION THREE: PHYSICAL DAMAGE COVERAGE FOR YOUR BOAT AND EQUIPMENT

This is an "agreed-value" policy for boats.

A. LOSS PAYMENT

In the event of a covered loss, we will pay as follows:

- 1. Total loss. If the boat is totally destroyed, lost or determined by us to be a constructive total loss, we will pay the amount of coverage without deduction for depreciation. A boat is considered lost when it is not found within 30 days of the date it is reported as missing.
- 2. Partial loss. Unless otherwise stated in this policy, we will pay the reasonable cost of repair or replacement of damaged or stolen property, without deducting any amount for depreciation, up to the amount of coverage.
- 3. Property subject to depreciation. We will only pay the actual cash value at the time of loss or damage to the following property:
 - (a) sails (including spinnakers);
 - (b) protective covers consisting of fabric, plastic, canvas or similar materials;
 - (c) carpeting, upholstery, cushions or fabric;
 - (d) outboard motors;
 - (e) outdrive units;
 - (f) machinery (including inboard engines and equipment) over 10 years old;
 - (g) batteries;
 - (h) trailers; and
 - (i) personal property.

Actual cash value shall be determined by the replacement cost of the covered property at the time of loss, less deduction for any depreciation. All total or partial covered losses of items listed in Section Three A.3 will be settled in this manner.

4. Pairs, Sets or Parts. In case of loss or damage to a pair or set, we may repair or replace any item to restore the pair or set to its value just before the loss; or pay the difference between the actual cash value of the pair or set before and after the loss. In case of loss to any part of covered property consisting of several parts when complete, we will pay only for the value of the part lost or damaged.

- 5. Repairs. If your boat needs repair after a covered loss, we will pay the reasonable costs in accordance with:
 - (a) the manufacturer's specifications; or
 - (b) generally accepted repair practices.

B. PHYSICAL DAMAGE COVERAGES

We cover the following property against accidental direct physical loss or damage except as specifically excluded:

- 1. Your boat scheduled in the declarations.
- Your outboard motors scheduled in the declarations, including:
 - a. portable fuel tank and fuel lines;
 - b. electric starting equipment (including batteries); and
 - c. controls supplied by the manufacturer as part of the outboard motor.
- 3. Your auxiliary equipment consisting of boating equipment not permanently installed, but normally required and used to operate and maintain your boat. However, Auxiliary Equipment does not include:
 - a. Outboard motors, trolling or auxiliary motors which are the primary mechanical source. These must be scheduled separately in the declarations;
 - personal watercraft, hydrocycles, jet skis, or similar types of vessels;
 - moorings, cradles, boat lifts, or similar apparatus used for the mooring or storage of your
 - Fishing Equipment and scuba gear; and
 - personal property.
- 4. Your trailer scheduled in the declarations provided it is used solely for the purpose of transporting your boat.

C. EXCLUSIONS

We do not cover loss or damage resulting from:

Wear and tear;

- 3. Insects, animal, vermin and marine life;
- 4. Marring, scratching, weathering, fading or denting;
- 5. Inherent vice including wet or dry rot; rustior corrosion;
- Osmosis, blistering, delamination or electrolysis;
- 7. The cost of replacing or repairing any item having a latent defect. However, any resulting loss or damage will be covered.
- 8. Loss or damage caused by or resulting from the insured's failure to properly winterize the boat; or
- 9. Theft or unexplained disappearance of equipment or accessories unless; (a) your boat is stolen at the same time; or (b) there is evidence that the property was forcibly removed or stolen.

D. UNREPAIRED DAMAGE

We do not cover any previously unrepaired damage which occurred either prior to the policy effective date shown in the declarations, or where you or any insured has previously received payment.

E. DEDUCTIBLE AMOUNT

We will adjust each claim for a covered loss to your insured property separately. The amount of each adjusted claim will be automatically reduced by the deductible amount shown on the declarations. We will

treat any two or more covered losses resulting from the same occurrence as one claim.

The deductible amount will not apply in the case of a total loss or constructive total loss to your boat. In the case of total losses on all other property besides Boat & Equipment; the highest deductible amount will apply. We will treat any two or more covered losses resulting from the same occurrence as one claim.

F. PROTECTION AND RECOVERY EX-PENSES

We will pay the reasonable costs you incur to protect or recover your boat from further loss or damage following a loss. This coverage is in addition to those coverages included in Section Three of this policy. The most we will pay for these expenses is the amount of insurance equal to the Boat & Equipment limit as shown in the Declarations. The deductible amount does not apply to this coverage.

G. EQUIPMENT ON SHORE

We will cover your auxiliary equipment when it is temporarily removed from your boat for storage on. shore. However, the amount of insurance on the boat will be automatically reduced by the total value of this equipment while it is stored away from your boat.

SECTION FOUR: PERSONAL PROPERTY COVERAGE

We cover Personal Property as scheduled in the declarations which is owned by you, or any insured while it is aboard your boat. We will not pay more than the actual cash value of this property at the time of loss. Actual cash value shall be determined by the replacement cost of the covered property at the time of loss, less deduction for any depreciation.

EXCLUSIONS

We do not cover Fishing Equipment, money, jewelry, furs, traveler's checks, coins or currency, motor vehicles, boating equipment, computer equipment (hardware or software) unless used exclusively aboard and

for the service of the insured boat, or any property which is separately described and specifically insured in whole or in part, by this or any other insurance.

In addition, we do not cover:

- Wear, tear, gradual deterioration, corrosion, or damage caused by animals, vermin, insects or marine life;
- 2. Changes in temperature or humidity;
- 3. Any mechanical or electrical failure or disturbance - unless it was caused by lightning; or
- Mysterious disappearance or unexplained loss of any kind.

SECTION FIVE: COMMERCIAL TOWING AND ASSISTANCE COVERAGE

We will reimburse you for the reasonable costs you incur resulting from the following services to your boat if help is not available and you must pay to obtain commercial assistance:

- towing to the nearest place where necessary repairs can be made;
- 2. delivery of gas, oil, parts or loaned battery (excluding the cost of these items themselves) or emergency labor while away from safe harbor; or
- 3. boat trailer roadside service including towing to the nearest place within 50 miles where necessary repairs can be made if the trailer is covered by this policy.

SECTION SIX: BOAT LIABILITY COVERAGE

- A. We will pay damages for bodily injury or property damage for which an insured is legally responsible because of owning, maintaining or using your boat.
- B. If you are legally obligated to remove or otherwise dispose of the wreck of your boat, we will pay the reasonable cost of removal or the amount for which you are held liable for failure to dispose of the wreck.
- C. We will pay the reasonable cost for the proper containment, clean up and resulting damage caused by an accidental fuel spill that comes from your boat for which you are legally responsible provided you:
 - immediately notify the United States Coast Guard, or other appropriate state, local or federal authority of the fuel spill as required by law;
 - take appropriate action as soon as possible including making any necessary temporary repairs to fix the cause of the spill and prevent further spillage; and
 - provide all reasonable cooperation and assistance requested by a responsible official in connection with the containment or clean up of the fuel spill.

The most we will pay for any loss, damage or expense caused by an accidental fuel spill that is covered by this policy is the Limit of Liability as shown in the Declarations Page or \$500,000, whichever is less. This coverage is included as part of the Liability Coverage, but does not increase our limit of liability for any occurrence covered by this policy.

- This coverage does not apply to any liability caused by or resulting from any intentional act or willful misconduct of any insured; any claim for punitive damages, or any fines, penalties or cost of defense arising out of a criminal or civil violation of law or assessment by a governmental authority; or any liability which has been assumed by an insured under any contract or agreement whether oral or written.
- D. We will pay only up to the applicable limit of liability for any one occurrence.
- E. We will settle or defend, as we consider appropriate, any claim or suit asking for damages covered under this section. Our duty to settle or defend ends when the applicable limit of liability for this coverage has been exhausted.

F. EXCLUSIONS

We do not provide coverage for:

- Liability which has been assumed by you or any insured under any contract or agreement;
- 2. Liability to your spouse or any insured;
- 3. Damage to property of others or bodily injury liability arising out of the transportation of your boat on land; however, we will cover physical damage to your boat if damaged as a result of being transported overland - subject to the Other Insurance clause contained in this policy;
- 4. Any damage to reefs, natural barriers, beaches, marshlands or soft sand areas;
- 5. Any bodily injury or property damage arising out of the operation or use of any jet ski, hydrocycle, or similar type personal watercraft;



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- 6. Any bodily injury, or property damage caused by any person while parasailing, kiteskiing or similar activity;
- 7. Wages or provisions of any employed captain or
- 8. Any claim for punitive damages;
- Any fines, penalties or costs of defense arising out of a criminal or civil violation of law or assessment by a governmental authority; or
- 10. Injuries for which benefits are required to be provided or are available under any state or federal compensation law or act.

SECTION SEVEN: MEDICAL PAYMENTS COVERAGE

EXCLUSIONS

We will pay for reasonable medical, ambulance, hospital, professional nursing and funeral costs which become necessary due to accidental bodily injury to any person. This coverage is provided only for persons injured while in, upon, boarding, or leaving your boat. We will pay for only those costs incurred within one year of the date of accident.

Our payment will be reduced by any amounts paid or recoverable from the injured person's health plan or medical insurance. Our payment will also be reduced by any amounts that we pay to, or on behalf of the injured person under any other section of this policy.

We will pay only up to the applicable limit of liability for each person.

We do not provide Medical Payments coverage for:

- 1. Responsibility assumed by you or any insured under any contract or agreement;
- 2. Anyone who is injured while the boat is being transported overland;
- 3. Injury to a trespasser on your boat;
- 4. An insured's employees or a paid captain or crew;
- 5. Injuries for which benefits are required to be provided or are available under any state or federal compensation law or act.

SECTION EIGHT: UNINSURED BOAT COVERAGE

We will pay damage which you or any insured are legally entitled to recover from the owner or operator of an uninsured boat because of bodily injury caused by a collision/allision with the uninsured boat. The owner's or operator's liability for these damages must arise out of the ownership, maintenance, or use of the uninsured boat. "Allision" means the striking of a fixed object such as a dock, pier, buoy or a vessel at anchor by a moving vessel.

EXCLUSIONS

We do not provide uninsured boat coverage:

- 1. For any person struck by a boat owned by you or any insured;
- 2. If any person or legal representative settles the bodily injury claim without our consent; or
- 3. To benefit any insurer or self-insurer under any workers' or workmen's compensation, disability benefits or similar law.

SECTION NINE: COVERAGE FOR NON-OWNED AND NEWLY ACQUIRED BOATS

The coverage we provide for your boat and motor applies to:

- 1. your legal liability as an individual for boats and motors used with the owner's permission which are not owned, furnished, hired or chartered, or available for the regular use by you or any insured under this policy.
- 2. a newly acquired boat up to 30 feet in length

and/or motor provided it does not exceed 50 mph and it is reported to us within 30 days of acquisition. The physical damage coverage shall not exceed the purchase price of the newly acquired boat. This coverage does not apply to jet skis, hydrocycles or similar type watercraft.

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The coverage provided under this section of the policy shall be deemed to be excess insurance over any other valid and collectible insurance.

SECTION TEN: YOUR DUTIES AFTER A LOSS

A. NOTICE OF LOSS

- 1. You must give notice of any loss as soon as practicable to either us or our authorized representative. If the loss is by theft or vandalism, you must also notify the Coast Guard or other police authority having jurisdiction.
- 2. We must be told: (a) the name of the insured; (b) your policy number; (c) all details of the loss including where and how the event occurred; and (d) the name and address of any witness.
- 3. On losses involving Boat Liability, Uninsured Boats or Medical Payments, you must: (a) tell us the names and addresses of all claimants and witnesses; and (b) promptly send us all notices or legal papers relating to the loss.
- B. ASSISTANCE IN LOSS SETTLEMENT -BOAT LIABILITY OR MEDICAL PAY-MENTS COVERAGE
- 1. You must help us: (a) settle all claims; (b) enforce our right when others may be liable; and (c) furnish medical reports and submit to physical examinations.
- 2. At our request, you must: (a) attend hearings and trials; (b) secure and give evidence; and (c) make every effort to obtain attendance of witnesses.

We will reimburse you up to \$100 a day for loss of earnings because of attendance at hearings or trials at our request.

C. CONTRACTUAL LIABILITY

Without our written consent, we will not provide coverage if you: (a) assume any liability; (b) incur any expense for which we may not be liable; or (c) impair our right to recover claims against others.

D. CLAIMS AGAINST OTHERS

If we believe a claim maybe recovered from others, we may pay you and assume your rights to such recoveries.

- 1. You agree: (a) not to waive, after loss, any rights you may have against others; and to assist us in all ways possible to recover amounts paid under this policy.
- 2. We may: (a) at our own expense, take over your rights to the extent of our payment; and (b) retain or collect all premiums paid or due.

E. EXAMINATION UNDER OATH

You must: (1) submit to questioning under oath as often as we may reasonably require; and (2) assist us in securing testimony from others.

F. PROOF OF LOSS - PHYSICAL DAMAGE

You must send us, within 60 days after we ask, a statement sworn to the best of your knowledge and belief, listing:

- 1. the time and cause of loss;
- 2. the interest of anyone in the property;
- 3. all liens and mortgages on the property;
- 4. other insurance that may cover the loss;

- 5, title changes;
- detailed estimates of the value of the property and for the repair of damage; and
- 7. evidence of the amount of loss, including affi-

G. PROTECTION OF PROPERTY - PHYSICAL DAMAGE

If a loss occurs, you must take all lawful, reasonable steps, including making any necessary temporary repairs to protect the property from further damage. We will share the reasonable expenses incurred in proportion to our interests.

H. SUPPORT OF CLAIM

You must support any claim by: (1) ALLOWING US TO INSPECT THE DAMAGED PROPERTY BEFORE IT IS DISPOSED OF OR REPAIRED; (2) producing records to verify the claim and its amount; and (3) permitting copies of records to be made.

SECTION ELEVEN: LOSS SETTLEMENT CONDITIONS

A. LOSS ADJUSTMENT-PHYSICAL DAMAGE

We will not pay more than the least of: (1) the limit of liability for the covered property; or (2) the amount for which the covered property could reasonably be repaired to its condition just prior to the loss.

We may pay for the loss in money, or replace the damaged property according to the Repair Clause contained in Section Three. We will notify you of our choice within 30 days after you submit Proof of Loss.

B. DESTRUCTION/REMOVAL ORDERED BY AUTHORITIES

We will pay for the destruction or removal of covered property when it presents an attractive nuisance or is ordered by any civil authority.

C. APPRAISAL - PHYSICAL DAMAGE

If you and we fail to agree on the amount of loss, either may demand an appraisal of loss subject to the following conditions:

- 1. Each party will choose a competent, impartial appraiser within 20 days after receiving written request from the other.
- The appraisers shall appoint a competent, impartial-umpire. If they cannot agree on an umpire within 15 days, you or we may ask a courf judge of the state of your residence to appoint an umpire.
- If the two appraisers cannot agree on the amount of the loss, they will ask the umpire for a decision.

- 4. The written agreement of any two will determine the amount to be paid.
- Both you and we shall each pay any costs of the appraisers each has selected, plus share any expenses or costs of the umpire and court equally.

D. LOSS PAYEE

If a loss payee is named in this policy, any loss payable will be paid to the loss payee and you, as interests appear. If more than one loss payee is named, the order of payment will be the same as the order or precedence of the loss payees. We cover the interests of the loss payee, unless the loss results from fraudulent acts or omissions on your part.

E. RESERVATION OF RIGHTS

When we investigate, compromise, or pay any claim, it shall not be construed to admit liability either by you or us.

F. ABANDONMENT OF PROPERTY

We are not liable for any property abandoned by an insured.

G. RIGHTS TO SALVAGE

If we pay a total loss or constructive total loss of your boat, we reserve the right to take possession of the remains or its proceeds. You agree to transfer title of that property to us or to salvage buyer designated by us.

Signed for: The Standard Fire Insurance Company Hartford, Connecticut 06183

> Bruce A. Backberg Senior Vice President and Corporate Secretary

Joseph Lacher Chief Executive Officer Personal Lines

IN WITNESS WHEREOF, the Company has executed and attested these presents.

2003 KEY WEST

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TRAVELERS BOAT POLICY

ACTUAL CASH VALUE ENDORSEMENT

The policy is amended to read as follows:

SECTION THREE: PHYSICAL DAMAGE COVERAGE

This is an "actual cash value" policy for boats.

Actual cash value shall be determined by the replacement cost of the covered property at the time of loss, less deduction for any depreciation.

A. LOSS PAYMENT

In the event of a covered loss, we will pay as follows:

- 1. Total loss. If the boat is totally destroyed, lost or determined by us to be a constructive total loss, we will pay actual cash value. A boat is considered lost when it is not found within 30 days of the date it is reported as missing.
- Partial loss. Unless otherwise stated in this policy, we will pay the reasonable cost of repair or actual cash value, whichever is less, of the dam-

- aged or stolen property up to the amount of coverage.
- 3. Pairs, Sets or Parts. In case of loss or damage to a pair or set, we may repair or replace any item to restore the pair or set to its value just before the loss, or pay the difference between the actual cash value of the pair or set before and after the loss. In case of loss to any part of covered property consisting of several parts when complete, we will pay only for the value of the part lost or damaged.
- 4. Repairs. If your boat needs repair after a covered loss, we will pay the reasonable costs in accordance with: (a) the manufacturer's specifica tions; or (b) generally accepted repair practices.

All other terms and conditions of this policy remain unchanged.

Summons and complaint of within entitled cause received at this office and service accepted in accordance with law this 6 day of Septem 9

Director of insurance and Atterney to Accept Service Columbia, SC

Marked From 25225 US POSTAGE \$ 07,009

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CERTIFIED MAIL

RETURN RECEIPT REQUESTED

SERVICE OF PROCESS

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c/o CSC 1703 LOVED Street (Sluntina, SC 2930)

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STATE OF SOUTH CAROLINA DEPARTMENT OF INSURANCE COLUMBIA, S.C. 29202-3105 P.O. BOX 100105